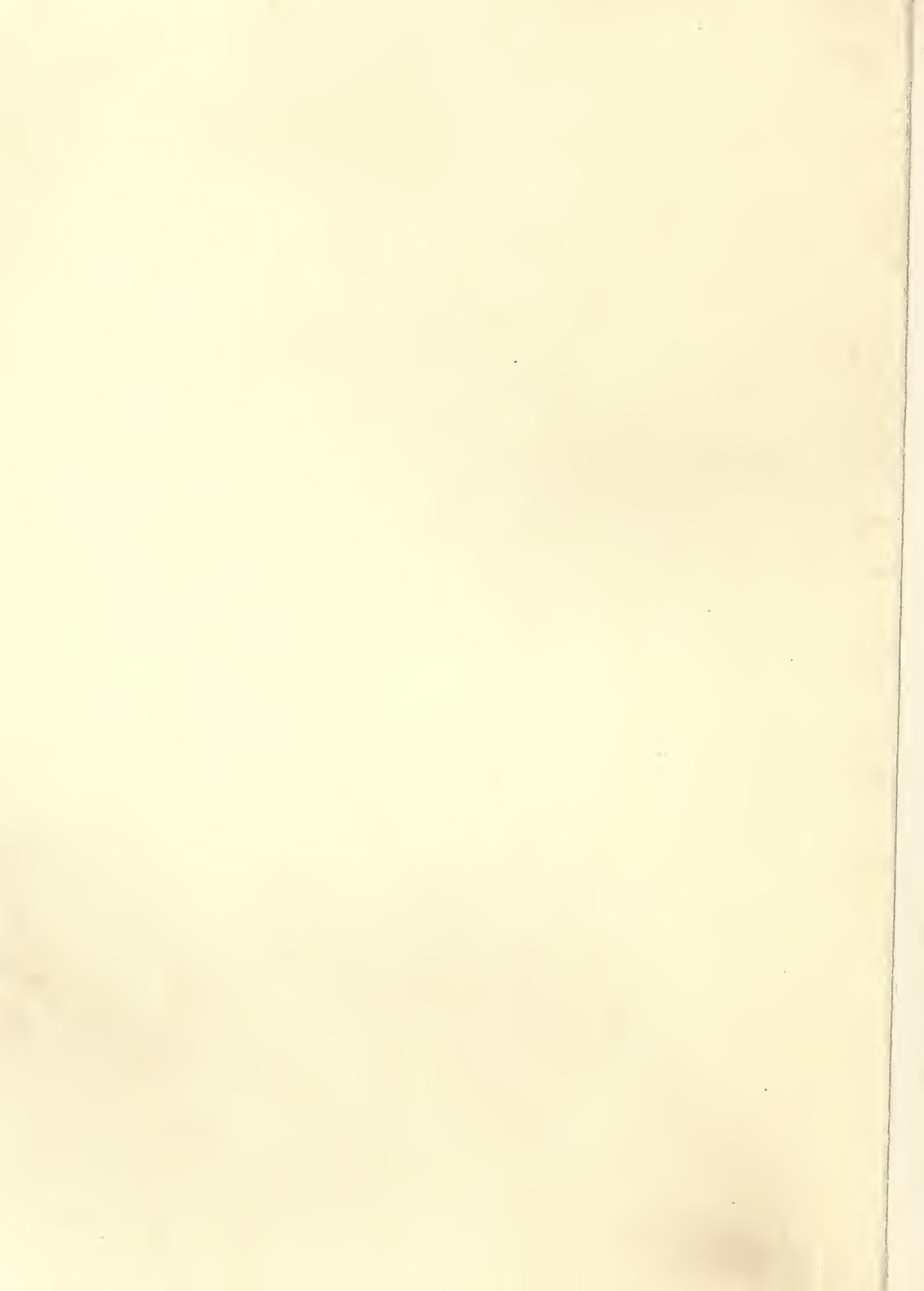


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Foreign CROPS AND MARKETS



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CONTENTS

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	Page
COTTON AND OTHER FIBER	
U.S. Cotton Exports Up Slightly.....	588
Consumption of Cotton in India Continuing at High Level.....	590
FATS AND OILS	
Mexico Prohibits Exploitation of Candelilla Wax Plants.....	585
Ceylon's Coconut Output Down in 1952.....	586
U.S. Exports of Lard in January-October Above Corresponding Period in 1951.....	587
French Morocco's Olive Oil Production Less Than Half Last Year's Record.....	587
GRAINS, GRAIN PRODUCTS AND FEEDS	
Burma Rice Marketing.....	584
Argentine Smallgrain Outlook Excellent.....	591

UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF FOREIGN AGRICULTURAL RELATIONS
WASHINGTON 25, D.C.

L A T E N E W S

Transshipments of Mexican cotton through United States ports in September totaled 112,000 bales (of 500 pounds gross), the same as the total for August. The 224,000-bale total for August and September includes Japan 111,000 bales, Belgium 24,000, Netherlands 20,000, Western Germany 18,000, United Kingdom 14,000, Finland 10,000, Switzerland 6,000, Sweden 5,000, Spain 3,000, and France 2,000. These figures include transshipments of cotton linters, waste, and hull fibers, but do not include shipments of cotton to Canada by railroad and small quantities exported direct from Mexican ports to any destination. In 1951-52 these direct shipments amounted to 195,000 bales, including 123,000 to France and 25,000 to Japan. Exports to Canada as shown by Canadian import statistics totaled 31,000 bales in 1951-52 and 9,000 in August-September 1952.

FOREIGN CROPS AND MARKETS

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**BURMA RICE
MARKETING**

The Burmese Government on November 29 sold approximately 135,000 long tons (300 million pounds) of rice to a number of local firms for export to foreign countries. Most of the rice was sold by the State Agricultural Marketing Board (SAMB) to these firms at £78/15/- per long ton (\$9.85 per 100 pounds) for Ngasein Small Mill Special. Of the total, Indonesia purchased through local firms 50,000 tons, and the United Kingdom, 20,000 tons.

The remaining 65,000 tons (145 million pounds) were sold on a private trade (speculative) basis. These sales, like those of the November 3 tender, differed from previous sales in that no destination of exports were specified. Under the tender system in which Burmese rice has been sold on a private-trade basis heretofore in 1952, foreign buyers have been required to designate Burmese firms to bid definite prices for them. Export buyers of the 65,000 tons undesignated are not yet known, but prices paid by them were reported by usually reliable sources as ranging from £79 to £81 per long ton (\$9.88 to \$10.13 per 100 pounds) for Ngasein Small Mill Special.

Quantities, grades, and prices of the November 29 sales to local firms were as follows: 125,500 long tons of Ngasein Small Mill Special, 42 percent broken at around £78/15/- per long ton (\$9.85 per 100 pounds); from 1,000 to 1,850 long tons of Ngasein, Europe No. 2, 25 percent broken at £87/5/- (\$10.91 per 100 pounds); Ngasein, Europe No. 3, 30 percent broken, at £85/16/- per ton (\$10.73 per 100 pounds); and 6,500 tons of long-boiled, 10 percent broken, £81/10/- to £81/19/- (\$10.19-\$10.25 per 100 pounds).

BURMA: Sales of milled rice (estimated) in 1952

Country	:Govt.-	:Tender	:Govt.-	:Tender	:Govt.-	:Nego-	
	: Govt.	: Jan.-	: Govt.	: July-	: Govt.	: tiated	: Total
	:January	: June	: July	: Dec.	: Oct.	: sales	
	:Million						
	:pounds						
India.....	314	:	157	:	201	:1/	0: 112 :
Ceylon.....	179	:	90	:	119	:1/	0: 56 :
Indonesia.....	161	:	81	:	108	:	67: 49 :
Japan.....	67	:	45	:	45	:	16: 90 :2/ 94 :
Br. territories.....	58	:	29	:	38	:	63: 29 :
Others.....	0	:	153	:	0	:3/	224: 0 :4/ 0 :
Total		:	779	:	555	:	511 : 370: 336 :
							318 :2,869

1/ India and Ceylon received allocations of 112 million and 60 million pounds, respectively, but did not purchase through tenders. 2/ Includes 60 million pounds purchased in November and 34 million pounds sold initially to Burmese firm ostensibly for Mombasa and diverted to Japan. 3/ Estimated by Agricultural Attaché and includes sales of 146 million pounds to speculators on November 29. Others include the Philippines, Okinawa, Korea, the Near East, Africa and Europe. 4/ Included in July-December tender.

The November 29 sale is believed to have committed practically all of the rice available for export from the 1951-52 crop. A reasonably accurate picture of Burmese commitments of that crop is believed to be presented in the following table, with the exception of sales to minor buyers during July-December 1952. It is possible that not all the rice sold by SAMB on November 29 to the speculators (local buyers) can be marketed by them to foreign countries at the prices paid in the sale of November 29, so the Government within the next few weeks may be forced to take back part of that rice and sell it to other buyers possibly at lower prices.

Shipments of the entire quantity sold on November 29 would, it is believed, reduce the year-end carry-over of rice to a nominal figure. However, because of the current bright prospects for the 1952-53 crop, it appears that 1953 exports are likely to exceed those of any postwar year.

The Government of Burma announced on November 29 that the forecast of planted acreage for the 1952-53 rice crop is 10,185,000 acres as compared with 9,670,000 acres for the 1951-52 crop. As of September 30, an estimated 120,000 acres had been abandoned and the forecast for harvested acreage was 10,065,000 acres. Since September 30, rains and floods have been rather extensive and subsequent forecasts probably will show an increase in the acreage abandoned. Nevertheless, late rains have provided adequate moisture for the crop, and while no official estimate of production has been made, the crop is expected to exceed that of the previous year by at least 5, and possibly 10, percent.

MEXICO PROHIBITS EXPLOITATION OF CANDELILLA WAX PLANTS

A Mexican Presidential Decree, published in the Diario Oficial under date of December 6, 1952 and effective the day after publication, totally prohibits the exploitation of candelilla from December 1, 1952 until September 30, 1953, reports P. Miner, American Embassy, Mexico City. Severe penalty is provided for violation of the decree.

This step was taken to halt extensive exploitation of candelilla plantings in the States of Chihuahua, Coahuila, Zacatecas, Nuevo Leon, Durango, and San Luis Potosi where the species has been endangered to the point of extinction.

The exportation of candelilla wax shows a decreasing trend in recent years as follows:

<u>Year</u>	<u>Short tons</u>
1947	5,160
1948	685
1949	2,696
1950	3,597
1951	2,670

In 1950 and 1951 these exports were valued at nearly 30 million pesos a year (about \$3.5 million).

The present concessionaires or holders of exploitation permits are requested to turn in their permits to local agricultural authorities, and those having stocks of candelilla wax on hand are asked to submit a written report on quantities and location of stocks within a period of 15 days from December 1, 1952. No movement of candelilla wax will be permitted from deposits or warehouses without express authorization of the Mexican Department of Agriculture.

CEYLON'S COCONUT OUTPUT DOWN IN 1952

Coconut production in Ceylon for 1952 will be as much as 30 percent less than the 1951 output of approximately 2 billion coconuts, according to the American Embassy, Colombo. Prolonged drought conditions which existed during July, August and the major part of September were chiefly responsible for this decline.

Exportable surplus is estimated at 50 percent of production which is at its yearly peak during June and July. According to the Ceylon Customs Returns 394,000,000 coconut equivalents (about 78,800 long tons copra equivalent) were exported during July, August, September 1952 in the form of coconut oil, copra, desiccated coconuts, and fresh coconuts. Total exports during January-June 1952 on a copra equivalent basis were 141,700 long tons. January-June shipments consisted of 22,490 tons of copra, 54,172 tons of coconut oil, 25,427 tons of desiccated coconut, and 3.2 million fresh coconuts. (See Foreign Crops and Markets of September 1, 1952, page 205).

Coconut oil prices during the third quarter 1952 varied from a low of rupees 825 per long ton (\$173) on August 13-18, when stocks were plentiful, to a high of rupees 1,025 (\$215) on September 30 as European buying interest increased. The restrictions imposed by the Indian Government on imports of coconut oil and copra also were partly responsible for the low prices prevailing during the middle of August. Prices obtained for coconut oil during July-September are considered low as compared with the high of rupees 1,400 per long ton (\$293) and to a low of rupees 1,200 (\$251) obtained during the corresponding quarter of 1951. During the same period copra was sold at a low of rupees 130 per candy of 560 pounds (\$109 per long ton) from August 8-15, and at a high of rupees 162.50 (\$136) on September 30. (These prices do not include the export duty of rupees 128 (\$27) per long ton of coconut oil, rupees 160 (\$34) per ton of copra, and rupees 96 (\$20) per ton of desiccated coconut.)

There has been a general decrease in the price of coconut products after the year's high prices in October 1952. This decline has been caused by decreased purchases by Pakistan and India. However, European demand is keeping the coconut market from any further decline.

U.S. EXPORTS OF LARD IN JANUARY-OCTOBER
ABOVE CORRESPONDING PERIOD IN 1951

United States exports of lard, including rendered pork fat, in October totaled 21,522 short tons--substantially more than the 14,904 tons shipped in October 1951. The principal countries of destination, with the quantity going to each, were as follows: Western Germany--8,350 tons; Cuba--5,723; the Netherlands--1,873; Peru--1,139; Yugoslavia--837; and Mexico--818 tons.

The tonnage of lard exported to Western Germany in October was the largest for any one month since June 1950 when 9,102 tons went to that country. In that year more than 63,000 tons of the total exported volume of 233,033 tons went to Western Germany.

Exports of lard in the January-September period of this year totaled 249,855 tons, virtually equal to the 250,214 tons that was shipped in the first 9 months of 1951. The tonnages exported to each of the principal purchasing countries in the first 3 quarters of 1952, with data for the corresponding period in 1951 (in parentheses), were as follows: Cuba--64,892 (52,707); United Kingdom--49,883 (83,771); Western Germany--29,763 (12,280); the Netherlands--21,097 (15,492); Austria--17,833 (8,340); Mexico--14,633 (9,321); Yugoslavia--13,584 (32,008); and Peru--9,048 (3,900).

With production of lard currently at high levels, and the price at the lowest point in more than a decade, expectations are that exports in calendar 1952 may approximate the 344,253 tons exported in 1951. While it should be remembered that large quantities of lard went to the United Kingdom in the last 2 months of 1951--and, unlike 1951, the Kingdom's takings in recent months have been nil--there have been sizable increases from last year in the tonnages going to Cuba, Western Germany, the Netherlands, Austria, Mexico, and Peru in the January-October period.

FRENCH MOROCCO'S OLIVE OIL PRODUCTION
LESS THAN HALF LAST YEAR'S RECORD

Olive oil production from French Morocco's 1952 olive crop is expected to be less than one-half the record volume produced from the 1951 crop, according to W.N. Stokes, American Consulate, Rabat. The total oil pressed, including allowances for consumption by growers, is forecast at around 13,000 short tons against last year's crushing of about 27,000 tons.

Exports of edible olive oil in the first 8 months of 1952, amounting to 4,565 tons, were the heaviest in Morocco's history, and Morocco's normal import requirements for peanut and other edible oils were obviated. None of the oil from the current crop will be an exportable surplus as the annual domestic consumption requirements normally are a minimum of around 13,000 tons of edible oil and current stocks probably do not exceed 5,000 tons.

Reflecting the relative shortage of the current olive crop, the local wholesale price at the Casablanca market of domestic, unrefined olive oil of average quality increased from 17,750 francs per quintal (23 cents per pound) on July 5 to 19,250 francs (25 cents) on October 5. Further price increases can be expected in view of the prospective small oil production from the current crop.

The major marketing development recently is the formation of the Moroccan Consortium of Edible Oils representing the 6 largest producers and dealers. The stated objective of the Consortium is to plan each year in advance the foreign purchases for Morocco of edible oils, not only to avoid mutual competition, but by unifying shipments to save materially on freight costs and unloading time. From a pool of edible oil held in common, domestic price fluctuations will be smoothed out under the guidance of the Protectorate.

COTTON EXPORTS UP SLIGHTLY

Exports of cotton from the United States in October amounting to 307,000 bales of 500 pounds gross (296,000 running bales) were 22 percent higher than in September but are not quite equal to the usual seasonal increase for October. The cumulative total of 669,000 bales (643,000 running bales) for August-October represents only 59 percent of the 1,131,000 bales (1,089,000 running bales) exported during a similar period a year ago. Exports in 1951-52, however, were the second largest since 1939-40.

The steady downtrend in cotton prices in recent months seems to be the principal factor responsible for slow sales of cotton for export. Foreign buyers have apparently been waiting out the price decline, as evidenced by the fact that imports in August, September, and October in nearly all countries for which statistics are available, have not equalled mill consumption. Stocks in the importing countries were not excessive on August 1 (with the exception of India and to a lesser extent, the United Kingdom) and were substantially lower by the end of October.

Mill consumption in most of Western Europe, Japan, and India, is being maintained on a level equal to or higher than last year's monthly average, the principal exceptions being the United Kingdom, Italy, and Belgium. In some countries such as Japan, India, Western Germany, the Netherlands, and Finland, the rate is above that of a similar period a year ago. These factors lend strength to the possibilities for improvement in United States cotton export trade in the latter half of the current season. For a more complete discussion on outlook for United States cotton export trade in 1952-53 see Foreign Crops and Markets, December 1, 1952. --By Charles H. Barber.

(Table on following page)

UNITED STATES: Exports of cotton by countries of destination; averages 1934-38 and 1945-49; annual 1950-51 and 1951-52; August-October 1951 and 1952

(Equivalent bales of 500 pounds gross)

Countries of destination	Year beginning August 1				August-Oct.	
	Averages		1950-51	1951-52	1951	1952
	1934-38	1945-49	bales	bales	bales	bales
Austria.....	0:	1/36:	55:	32:	4:	5
Belgium-Luxembourg.....	147:	131:	80:	317:	88:	22
Czechoslovakia.....	65:	57:	6:	0:	0:	0
Denmark.....	35:	14:	31:	34:	11:	6
Finland.....	35:	21:	3:	33:	4:	2
France.....	589:	575:	447:	309:	71:	62
Germany.....	579:	340:	481:	447:	102:	62
Greece.....	2:	21:	1:	0:	0:	0
Italy.....	430:	489:	546:	560:	11:	22
Netherlands.....	86:	131:	158:	197:	31:	15
Norway.....	13:	7:	20:	15:	5:	3
Poland and Danzig.....	224:	69:	1:	0:	0:	0
Spain.....	101:	69:	66:	203:	65:	38
Sweden.....	93:	12:	33:	100:	17:	5
Switzerland.....	2:	26:	22:	99:	35:	13
United Kingdom.....	1,097:	488:	307:	662:	212:	100
Yugoslavia.....	10:	47:	78:	122:	35:	2
Other Europe.....	3/	85:	12:	12:4/	28:	2:
Total Europe.....	3,593:	2,545:	2,347:	3,158:	693:	357
Canada.....	261:	275:	431:	296:	67:	54
Chile.....	5/ :	20:	48:	35:	13:	2/
Colombia.....	17:	24:	55:	53:	13:	23
Cuba.....	7:	16:	24:	20:	3:	3
India.....	44:	86:	219:	778:	72:	17
China.....	55:	401:	54:	0:	0:	0
Hong Kong.....	2/ :	35:	27:	0:	0:	0
Indonesia.....	2/ :	5:	16:	14:	4:	4
Japan.....	1,271:	585:	883:	1,095:	236:	157
Korea, Republic of.....	2/ :	6/ 48:	36:	55:	0:	20
Australia.....	5:	7:	0:	50:	2:	2
Other countries.....	43:	18:	140:7/	158:	28:8/	22
Total.....	5,296:	4,065:	4,280:	5,712:	1,131:	669

1/ 4-year average. 2/ Less than 500 bales. 3/ Includes Portugal 39, Soviet Union 23. 4/ Portugal 21. 5/ If any, included in Other countries. 6/ 3-year average. 7/ Taiwan 53, French Indochina 24. 8/ Taiwan 22.

Compiled from official records of the Bureau of the Census.

CONSUMPTION OF COTTON IN INDIA CONTINUING AT HIGH LEVEL

The mill consumption of raw cotton in India during August 1952, the latest month for which official statistics are available, totaled 308,000 bales (500 pounds gross). Trade sources indicate mill consumption of about 295,000 bales during September and October, respectively. The August-October 1952 total of 895,000 bales is 105,000 bales larger than that for a similar period a year ago. Consumption during the entire current season, despite some expected decline, may equal or possibly exceed the high level of 3,240,000 bales consumed in 1951-52. In 1950-51 total consumption amounted to 2,930,000 bales. Additional quantities of cotton consumed in homes and nonspinning industries are usually estimated at about 220,000 bales annually.

Imports of cotton during August 1952 totaled only 41,000 bales (500 pounds gross). Incomplete data for September indicate that imports during that month were only slightly higher. In view of the large stocks on hand (nearly 2,100,000 bales on August 1, 1952), total imports this season may be about 20 percent less than the 1,008,000 bales imported during 1951-52. An import quota of 408,000 bales (500 pounds gross) has been announced by the Government of India for the first 6 months of 1953 plus quantities purchased in the United States in 1952 and not yet received. This quota is for cotton (new purchases) from all sources, including the United States. With respect to outstanding licenses for United States cotton, i.e., licenses issued during 1951-52 which have not thus far been used, the importers concerned have been permitted either to postpone imports until June 30, 1953, or convert such licenses for the purchase of equivalent quantities of cotton from sources other than the United States provided no dollar compensation is involved.

It now seems probable that the 1952-53 exports of cotton will be considerably larger than in 1951-52. Initial export allocations of 82,000 and 122,000 bales (500 pounds gross) were announced during October--several months earlier than a year ago. The total 1951-52 export allocations amounted to 287,000 bales (500 pounds gross), of which only 121,000 bales had been exported by July 31, 1952. With respect to the unshipped portion of the 1951-52 export allocations, an announcement was made on November 7 providing for the extension of the licenses concerned to June 30, 1953. Current prices for Indian cotton are much lower than during the past season, another factor which may encourage larger exports.

It now appears that the 1952-53 production of cotton will total about 2,900,000 bales (500 pounds gross). Such a production would be 200,000 bales below the 1951-52 crop which was the largest since the partitioning of the Indian subcontinent. The current crop got off to a favorable start, except in the Madras and Southern Bombay areas where plantings were delayed by dry weather. It seemed probable during the early part of the season that the official goal of about 3,225,000 bales might be attained but prolonged dry weather later in the season adversely affected both quantity and quality of the crop, particularly in South India.

Indian cloth production reached a record monthly high of 424 million yards during July 1952. The estimated production for the July-September 1952 quarter was 1,233 million yards. During this quarter, price control was withdrawn on seven major cloth groups and certain less important constructions, including between 50 and 55 percent of the total mill cloth output. Price control is being maintained on yarns except that mills are permitted to sell 50 percent of the yarns produced from indigenous cotton and all yarns from imported cotton without price controls.

ARGENTINE SMALLGRAIN OUTLOOK EXCELLENT

Early harvest reports on the smallgrains crop in Argentina confirm earlier forecasts of high yields this year. The entire growing season has been unusually favorable, without serious damage in any district, according to reports. Though some losses are reported from excessive rain and lodging, so far losses have been minor, not making any significant change in the overall situation. The quality of the grain is said to be excellent.

Wheat yields in early-harvested areas have been running high, with some yields double the average for the past 5 years. The average for the country is expected to be at least 15 percent above yields for that period. On that basis the total outturn was expected to be at least 260 million bushels in mid-December, with a possibility that it might go as high as 275 million if harvest weather continued good. This contrasts with the small crop of 75 million bushels a year ago, and would be the largest wheat harvest since 1940.

With the weather favoring development of the crop and especially in view of the very low level of supplies, abandonment was expected to be light, probably not more than 10 percent of the 15.5 million acres reported as seeded. That would mean the largest harvested acreage since 1943, though it is still not up to the prewar (1935-39) average.

Outturns of both barley and oats are expected to be around previous record figures. Reports speak of the high quality of barley, both malting and forage types.

Rye harvested as grain is expected to set a new production record. Stands are reported exceptional in all areas, including those where this crop is ordinarily grown only as forage. The extent of the harvest will be determined to a considerable extent by the availability of combines, labor, and transport.











